

## **Long-Term Care Statement of Interest**

Organization Name: DHFS Northeastern Region consisting of Brown, Calumet, Door, Fond du Lac, Green Lake, Kewaunee, Manitowoc, Marinette, Marquette, Menominee, Oconto, Outagamie, Shawano, Sheboygan, Waupaca, Waushara and Winnebago Counties.

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Description of Organization: The Northeastern Region, while neither a political subdivision nor formal organization has a long history of inter-county cooperation concerning human service delivery. Counties within the Region will formalize the relationships as necessary to accomplish Long Term Care Reform. The purpose and scope is to plan for and implement Long Term Care Reform in the geographic area of the Region. There may be interest from other contiguous counties and these Counties would be afforded the opportunity to participate.

Interest in Planning and Implementation: In addition to improving service delivery and reducing/eliminating wait lists for Long Term Care, the Counties within the Northeastern Region are very much aware of the disparity of service availability. Fond du Lac County was selected to operate a Family Care Pilot Program and has done so since CY 2000. Family Care, being an entitlement program, operates without wait lists while other jurisdictions are forced to delay services due to limited funding. This disparity poses difficult issues for residents and local organizations. By implementing Regional LTC reform, citizens will be given more equitable access to services without the delays associated with wait lists.

Geographic Area of Interest: All counties in the region have agreed to plan to implement the concept of regional Long Term Care Reform. The Menominee, Oneida and Stockbridge-Munsee Tribes have been asked to join the planning consortium.

Proposed Scope and Nature of the Program: Without additional investigation, study and planning, it is impossible to determine the exact scope and nature of the ultimate LTC reform package. At this point however, the Northeastern Region is looking at a multi-phase program to bring Reform to all interested Regional counties. Because there is a Family Care County within the Region and other Counties are not equally prepared for implementation of LTC Reform a 'phase in' process is being proposed. Drawing from the Fond du Lac County experience, Counties realize a reform of this magnitude should not occur without sufficient planning and preparation.

The first step in the process will be to identify counties that are highly motivated and approaching readiness for implementing LTC Reform. These Core Counties will begin implementation of a Family Care model (2007-2008). Fond du Lac County is interested in

partnering with these Core Counties for program operations, administrative assistance, sharing of infrastructure, IT needs, service authorizations, billings and payments.

The second phase of implementation will be for Fond du Lac County to incorporate acute and primary care into the Family Care benefit package in collaboration with the core counties. This may be accomplished through development of one or more partnership-like programs or by contracting with existing Partnership entities. The decision to develop or contract will be based on core county readiness, network development and capacity issues of existing partnership HMO's. Nursing Home Care would be incorporated into the benefit package, as well as Mental Health Services.

The third phase of implementation will be for additional counties to enter the consortium in 2008-09. Because counties are at different stages of care coordination through COP and CIP, including prevention activities and use of nurses in case management, those interested will select areas of implementation during phase one and two that they can implement to be ready to join the consortium during this third phase.

Additional counties may enter into the consortium after phase three as readiness for acceptance into the program is available.

The proposed time frame will meet the goal for stable LTC reform. The proposed plan will allow for:

- A more organized and systematic expansion of the provider network.  
By expanding Family Care from Fond du Lac into the core counties and then into the balance of the Region, current providers and new providers will be able to plan expansion, develop resources and build facilities in a timely manner. Providers are reluctant to develop resources that exceed current utilization rates. Counties that are in the process of transitioning into managed care may lack sufficient resources to serve current and expanding caseload. By preparing a county-by-county timeline, providers will be able to develop and expand services to meet the needs of the LTC Reform.
- A timely and organized development of the Managed Care Benefit Package.  
The Core Counties will initially implement the benefit package used in Fond du Lac. This package is comprehensive and intended to meet the LTC needs of people with Physically Disabilities, Development Disabilities and the Frail Elderly. The package has been approved by DHFS and has proven to be sufficient to meet members outcomes and needs. As additional counties are added to managed care, the benefit package will be reviewed and refined to meet the needs of other counties. Also, it is the intent of Fond du Lac and the core counties to expand the managed care principals into the acute and primary medical areas. As this process is refined, these expanded services would be available to counties as managed care is stabilized. This may be accomplished with development of a Partnership-type HMO or by contracting with existing programs.

- Cost effective and timely reforms and expansion of Long Term Care Services.  
The Family Care model of managed care has a proven record of cost effectiveness (2 APS Independent Assessments, Legislative Audit Bureau Report, MetaStar Reports, etc.) and Fond du Lac County has developed methods to ensure continued financial stability within managed care.
- Prevention and Wellness programs in the existing FC County and transitioning Counties.  
Clearly defining the roles and responsibilities of the Interdisciplinary Team Members, it is possible to ensure adequate Registered Nurse time for concentration on wellness and prevention services. The recently released APS Independent Assessments (October 2005) supports cost savings by investing in prevention and wellness.
- Delivery of Quality Member Centered Services.  
During the transition from the traditional service delivery model to managed care, quality and member-centered service will be protected and enhanced through the replication of existing quality initiatives.

While the members of the Northeastern Region have a history of cooperation and a willingness to coordinate the Long Term Care Reform, there are a number of issues that require additional study and research:

- Entitlement:  
The Department has stated that new funds will not be available for LTC Reform and it is doubtful that enough savings can be generated within new managed care counties in two years to offset the expense of removing all people currently on wait lists. There needs to be more investigation and research into options for accommodating the concept of entitlement and cost neutrality.
- County funds:  
Counties within the Northeast region are investing County Property Tax Levy into Long Term Care Programs. County Boards will be reluctant to expand into managed care without assurances that, at a minimum, the county can expect cost neutrality similar to the demands of State. Additional information will need to be generated before implementation.
- Risk/Profit:  
Managed Care, by definition, includes risk and potential profit for the managed care organization. Expanding managed care into additional jurisdictions will require a clear process for sharing, pooling or accepting both risk and profit. If LTC Reform in the Region develops into a quasi-governmental organization, legal contracts/agreements will need to be developed and implemented. Likewise,

if the Counties form a consortium, agreements and Memos of Understanding will need to be developed

- Role of the Family Care County:

While Fond du Lac County has expressed interest in expanding Family Care, the role of this existing program will need to be defined and structured. Infrastructure, IT, programs, policies and guidelines are available for replication.

- Provider Network:

Within the region there may be multiple provider networks based on geography.

- Statutory Services:

Each County has the responsibility to provide protective services (Chapter 51 and 55). Responsibility for these services will need to be clearly defined within the Regional concept of managed care.

- Adult and Disability Resource Center

A basic component of managed care (Family Care) is the concept of a Resource Center. Within the Northeastern region there is a county with Family Care and a Resource Center, counties with only Resource Centers, counties in the process of developing Resource Centers, counties developing specialized rural models and counties that have no access to a Resource Center.

The study phase of this program will determine how all counties in the consortium will have access to Resource Centers. This study will further determine eligibility issues and whether any remaining residency issues exist. The goal would be to determine if there can be one Resource Center for the consortium, which will determine eligibility, and if residency will continue to be a concern based on county funding.

- Level of Case Management:

Cost effectiveness in Managed Care is dependent upon well-trained Care Managers and Registered Nurses of sufficient numbers to adequately manage a reasonable size caseload. Assurances will need to be built into the expansion model to ensure that each County will have sufficient staff to equitably distribute workload and risk.

- Wait lists, priority and funding:

Within the Region, there is a wide discrepancy concerning wait list. Some Counties have no wait list while others have a significant number of people waiting for services. An equitable distribution of resources needs to be developed for each County.

### Closing Summary:

The counties of the Northeast region have adequate population and resources to develop long term care reform. The region, due to geographical concerns, will study the amount of network resources required, whether development of additional HMO's is required, and the implementation timetable that meets the needs of all consumers and counties.

The region will draw on the experience and expertise of Fond du Lac County for the Family Care Component and from relationships with existing Partnership entities for the acute and primary care component. It is the belief of the region that there may be various timetables set for individual counties to fully participate in LTC reform.